

SBK/2008R00713

UNITED STATES DISTRICT COURT

DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA :
 :
 : Hon.
 :
 v. : Criminal No. 09-586(SRC)
 :
 : 18 U.S.C. § 371
 MICHAEL HANNA, : 18 U.S.C. § 201(b) (1) (A)
 a/k/a "Mike Nova," : 18 U.S.C. § 201(b) (1) (C)
 a/k/a "George Flores" : 18 U.S.C. § 2320
 : 18 U.S.C. § 2

INDICTMENT

The Grand Jury in and for the District of New Jersey,
sitting at Newark, charges:

COUNT 1
(Conspiracy)
18 U.S.C. § 371

1. At all times relevant to this Indictment:
 - a. Defendant MICHAEL HANNA, a/k/a "Mike Nova," a/k/a "George Flores," resided in Bergen County.
 - b. CC1, CC2, and CC3 - coconspirators who are not named as defendants herein - were in the business of importing into the United States counterfeit handbags, pocketbooks, and sneakers that were intended to imitate the products of such legitimate manufacturers as Coach, Chanel, Gucci, Louis Vuitton, and Nike, among others ("Counterfeit Luxury Goods" or "CLG").
 - c. Defendant MICHAEL HANNA, CC1, CC2, and CC3 were not authorized to import or sell the legitimate products of these manufacturers.

d. The Port Newark Marine Terminal ("Port Newark"), the Elizabeth-Port Authority Marine Terminal ("EMT"), and the Howland Hook Marine Terminal on Staten Island, New York ("Howland Hook") were ports of entry into the United States for shipping containers traveling in foreign commerce.

e. United States Customs and Border Protection ("CBP") officials at Port Newark, EMT, and Howland Hook enforced import laws concerning the entry of shipping containers and their contents into the United States. CBP officials had the authority to examine the contents of shipping containers for contraband, including, among other things, Counterfeit Luxury Goods, and to confiscate Counterfeit Luxury Goods.

2. Between on or about June 1, 2008 and on or about March 11, 2009, in Essex and Hudson Counties, in the District of New Jersey, and elsewhere, defendant

MICHAEL HANNA,
a/k/a "Mike Nova,"
a/k/a "George Flores,"

did knowingly and intentionally conspire and agree with CC1, CC2, CC3, and others to:

(a) directly and indirectly, corruptly give, offer, and promise things of value to public officials with intent to influence official acts, and to induce such public officials to do and omit to do acts in violation of the lawful duties of such officials, contrary to Title 18, United States Code, Sections

201(b)(1)(A) and (b)(1)(C); and

(b) intentionally traffic in goods and services and knowingly use counterfeit marks on and in connection with such goods and services, and intentionally traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, and packaging of any type and nature, knowing that counterfeit marks had been applied thereto, the use of which was likely to cause confusion, to cause mistake, and to deceive, contrary to Title 18, United States Code, Section 2320.

OBJECT OF THE CONSPIRACY

3. The object of the conspiracy was for defendant MICHAEL HANNA, CC1, CC2, CC3, and others to import Counterfeit Luxury Goods by paying cash to a CBP official in exchange for the official's act of releasing from the CBP examination process shipping containers that held Counterfeit Luxury Goods, and in exchange for the official's assistance in ensuring that shipping containers holding Counterfeit Luxury Goods were not seized in the first place.

MANNER AND MEANS OF THE CONSPIRACY

4. It was part of the conspiracy that CC1, CC2, CC3, and others would import from China shipping containers holding Counterfeit Luxury Goods ("the CLG Shipping Containers").

5. It was further part of the conspiracy that, in order to avoid detection of the CLG Shipping Containers by CBP officials, CC1, CC2, CC3, and others would submit documents to CBP that falsely stated that the CLG Shipping Containers held legitimate imports, such as directories, catalogs, aluminum ladders, and plastic and household articles.

6. It was further part of the conspiracy that defendant MICHAEL HANNA would bribe a CBP official with cash, either to have the CBP official release containers held up in the CBP examination process ("Seized CLG Shipping Containers") or to have the CBP official ensure that CLG Shipping Containers that had not yet arrived in the United States ("CLG Containers on the Water") would not be seized at all.

7. It was further part of the conspiracy that defendant MICHAEL HANNA would provide to the CBP official the identification numbers of Seized CLG Shipping Containers and of CLG Containers on the Water.

8. It was further part of the conspiracy that defendant MICHAEL HANNA would obtain United States currency from CC1, CC2, CC3, and others to provide to the CBP official to secure the

release of Seized CLG Shipping Containers or to ensure that CLG Containers on the Water would not be seized.

9. It was further part of the conspiracy that defendant MICHAEL HANNA would cause CLG Shipping Containers to be transported from Port Newark, EMT, and Howland Hook to storage locations that CC1, CC2, CC3, and others controlled.

OVERT ACTS

10. In order to further the objects of the conspiracy, defendant MICHAEL HANNA committed the following acts in the District of New Jersey and elsewhere:

The Coach/Chanel Container

a. On or about June 6, 2008, in a telephone conversation with an individual he believed to be the representative of a CBP official but was actually an undercover agent ("the UC"), defendant MICHAEL HANNA agreed to pay approximately \$80,000 for the release of a Seized CLG Shipping Container numbered OOLU8015391 ("Coach/Chanel Container"), which was manifested to contain "directories" and "catalogs" but in fact contained approximately 18,800 counterfeit Coach and Chanel handbags.

b. On or about June 6, 2008, in a telephone conversation with UC, defendant MICHAEL HANNA told the UC that the Coach/Chanel Container held "fake pocketbooks."

c. On or about June 13, 2008, at a diner in Hudson County, defendant MICHAEL HANNA gave the UC a red Rémy Martin cognac gift box that contained, instead of cognac, approximately \$20,000 in cash for the release of the Coach/Chanel Container from Port Newark.

d. On or about June 14, 2008, at a rest stop on the New Jersey Turnpike, defendant MICHAEL HANNA gave the UC a black plastic bag containing approximately \$57,000 in United States currency for the release of the Coach/Chanel Container from Port Newark.

The Louis Vuitton/Coach/Chanel Container

e. On or about June 27, 2008, at a diner in Union County, defendant MICHAEL HANNA gave the UC approximately \$28,200 for the release from Howland Hook of a Seized CLG Shipping Container numbered NYKU5549203 ("the Louis Vuitton/Coach/Chanel Container"), which was manifested to contain "metal filing cabinets" but in fact contained counterfeit Chanel and Louis Vuitton handbags as well as counterfeit Coach handbags and wallets.

f. On or about June 27, 2008, outside the gate of Howland Hook, defendant MICHAEL HANNA met and exchanged paperwork with the driver of a truck that then entered Howland Hook, picked up the Louis Vuitton/Coach/Chanel Container, and delivered it to a storage facility in Plainview, New York.

The Air Force One Container

g. On or about August 28, 2008, defendant MICHAEL HANNA caused the shipping container CCLU6690651 ("the Air Force One Container"), which was manifested to contain "aluminum ladders" but in fact held approximately 13,680 pairs of counterfeit Nike Air Force One sneakers, to be transported from Port Newark to a storage facility in the Bronx, New York ("Bronx Storage Facility").

h. On or about August 28, 2008, at the Bronx Storage Facility, defendant MICHAEL HANNA and others unloaded the contents of the Air Force One Container.

i. On or about September 2, 2008, at a Hudson County restaurant, defendant MICHAEL HANNA paid the UC approximately \$60,000 in United States currency for the release of the Air Force One Container from Port Newark.

The Air Jordan 7 Container

j. On or before September 15, 2008, defendant MICHAEL HANNA caused the shipping container EMCU9345335 ("the Air Jordan 7 Container"), which was manifested to contain "plastic/household articles" but in fact held approximately 8,300 pairs of counterfeit Nike Air Jordan 7 Retro sneakers, to be transported from EMT to a storage yard adjacent to the Bronx Storage Facility.

k. On or about September 16, 2008, in the parking lot

of an Essex County restaurant, defendant MICHAEL HANNA paid the UC approximately \$60,000 cash as payment for the release of the Air Jordan 7 Container.

In violation of Title 18, United States Code, Section 371.

COUNTS 2 through 16
 (Bribery of a Public Official)
 18 U.S.C. § 201(b)(1)(A)
 18 U.S.C. § 201(b)(1)(C)
18 U.S.C. § 2

1. Paragraphs 1 and 3 through 10 of Count 1 are realleged as if set forth in full herein.

2. On or about the dates set forth below, in Essex, Hudson, and Union Counties, in the District of New Jersey, and elsewhere, defendant

MICHAEL HANNA
 a/k/a "Mike Nova,"
 a/k/a "George Flores,"

did directly and indirectly, corruptly give, offer, and promise anything of value, namely United States currency in the amounts set forth below, to public officials with intent to influence official acts, and to induce such public officials to do and omit to do acts in violation of the lawful duties of such officials, namely, to cause the release of the CLG Shipping Containers and CLG Containers on the Water described below from Port Newark, EMT, and Howland Hook.

COUNT	PAYMENT DATE	CONTAINER NUMBER	AMOUNT
2	06/13/08 and 06/14/08	OOLU8095391	\$77,000
3	06/27/08 and 07/01/08	NYKU5549203	\$60,000
4	08/08/08 and 08/14/08	NYKU5946900	\$60,000
5	09/02/08	CCLU6690651	\$60,000
6	09/16/08	EMCU9345335	\$60,000
7	10/10/08	HJCU1481578	\$60,000

COUNT	PAYMENT DATE	CONTAINER NUMBER	AMOUNT
8	10/31/08	UACU5284416	\$70,000
9	12/29/08	WFHU5008127	\$70,000
10	12/29/08	UESU5119937	\$58,800
11	01/27/09	HJCU1053646	\$25,000
12	01/27/09	TTRU4832254	\$40,000
13	02/11/09	CAXU9140856	\$25,000
14	02/24/09	TGHU8931408	\$25,000
15	02/24/09	CBHU8291413	\$25,000
16	03/05/09	GVCU5035732	\$25,000

In violation of Title 18, United States Code, Sections
201(b)(1)(A) and (b)(1)(C), and Section 2.

COUNTS 17 through 31
(Trafficking in Counterfeit Goods)
18 U.S.C. § 2320
18 U.S.C. § 2

1. Paragraphs 1 and 3 through 10 of Count 1 are realleged as if set forth in full herein.

2. On or about the dates set forth below, in Essex, Hudson, and Union Counties, in the District of New Jersey, and elsewhere, defendant

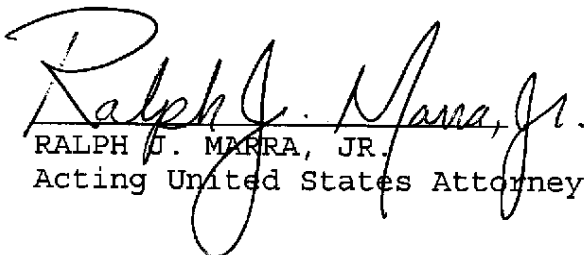
MICHAEL HANNA
a/k/a "Mike Nova,"
a/k/a "George Flores,"

did knowingly and intentionally traffic and attempt to traffic in goods and services, namely the Counterfeit Luxury Goods in the CLG Shipping Containers and CLG Containers on the Water described in Count 1 of the Indictment and below, and did knowingly use counterfeit marks on and in connection with such goods and services, and did intentionally traffic and attempt to traffic in labels, patches, stickers, wrappers, badges, emblems, medallions, charms, boxes, containers, cans, cases, hangtags, documentation, and packaging of any type and nature, knowing that counterfeit marks had been applied thereto, the use of which was likely to cause confusion, to cause mistake, and to deceive.

COUNT	DATE	CONTAINER NUMBER
17	06/12/08	OOLU8095391
18	06/27/08	NYKU5549203
19	08/12/08	NYKU5946900
20	08/28/08	CCLU6690651
21	09/15/08	EMCU9345335
22	10/09/08	HJCU1481578
23	10/30/08	UACU5284416
24	12/23/08	WFHU5008127
25	12/26/08	UESU5119937
26	01/20/09	HJCU1053646
27	01/24/09	TTRU4832254
28	02/10/09	CAXU9140856
29	02/18/09	TGHU8931408
30	02/20/09	CBHU8291413
31	03/06/09	GVCU5035732

In violation of Title 18, United States Code, Section 2320
and Section 2.

A TRUE BILL


RALPH J. MARRA, JR.
Acting United States Attorney

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UNITED STATES OF AMERICA

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a/k/a "Mike Nova,"
a/k/a "George Flores"**

INDICTMENT

18 U.S.C. § 371

18 U.S.C. § 201(b) (1) (A)

✓ **RALPH J. MARRA, JR.**
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